

INDIAN HEALTH SERVICE - JOINT VENTURE CONSTRUCTION PROGRAM **(June 9, 2003)**

PROGRAM AUTHORIZATION: Section 818(e) of the Indian Health Care Improvement Act, Public Law (P.L.) 94-437, as amended by languages in the fiscal year (FY) 2001 appropriation, P.L. 106-291, and the FY 2002 appropriation, P.L. 107-63, authorizes the Indian Health Service (IHS) Joint Venture Construction Program (JVCP) for establishing projects where American Indian and Alaska Natives tribes can acquire a tribally owned outpatient health care facility, in exchange for the IHS providing the initial equipment, then operating and maintaining the health care facility for 20 years.

CONDITIONS OF AUTHORIZING LEGISLATION:

- ◆ The tribe must have the administrative and financial capabilities necessary to complete the acquisition in a timely manner.
- ◆ The tribe must expend tribal, private, or other available non-tribal funds for the acquisition.
- ◆ The tribe is to lease the tribally owned health care facility to the IHS for 20 years under a no-cost Government lease.
- ◆ In exchange, the IHS is to provide the initial equipment, then the supplies and staffing for the operation and maintenance of the health care facility for the lease period.
- ◆ A tribe, who has entered into an agreement with the IHS under this program, who breaches or terminates without cause such agreement, will be liable to the U.S. Government for the amount paid by the Government.

PROGRAM IMPLEMENTATION CRITERIA:

- ▶ **PROJECT FUNDING:** When funding is appropriated for the initial equipment, the IHS requests JVCP applications from tribes. As joint venture projects are acquired, subsequent appropriations requests will address the funding needs for staffing, operations, and maintenance of the tribally owned health care facility being leased by the IHS.

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- ▶ **TYPE OF HEALTH CARE FACILITY:** The program applies only for ambulatory (outpatient) health centers, meeting the current minimum IHS standards of 1,100 user population and a workload of 4,400 primary care provider visits.
- ▶ **NO RETROACTIVE PROJECTS:** Projects that have been acquired already by a tribe will not be considered retroactively. Where new construction is involved, only projects that have not entered into a construction phase will be considered.
- ▶ **TRIBAL ABILITIES:** The tribe must be able to manage and fund the acquisition of the proposed project in a timely manner.
- ▶ **CONFORMANCE WITH IHS AREA MASTER HEALTH PLAN:** The proposed project is to be consistent with the applicable IHS Area Health Services-Facilities Master Plan, in order to maximize the efficient use of the funding.
- ▶ **PJD AND POR REQUIREMENTS:** Since IHS funding can support only space and staffing needs that can be verified under the existing IHS Health Facilities Construction Priority System methodology, a Program Justification Document (PJD), a Program of Requirements (POR), a combined Phases I and II Site Selection and Evaluation Report (SSER), which includes full compliance with the National Environmental Policy Act (NEPA) requirements, and a Government cost estimate prepared in accordance with the IHS Facilities Budget Estimating System (FBES), are required to be prepared in accordance with the planning criteria specified in the IHS health facilities planning process. The projected workload must be able to be validated by the IHS data system. The IHS supported staffing requirements will be determined in accordance with the IHS Resource Requirements Methodology. These approved planning documents are the basis for providing the initial equipment funding and for space, staffing, and the operation of the health care facility under the lease.
- ▶ **STAFF QUARTERS:** Staff quarters needed to support the health care facility are to be a part of the project and are to be a part of the planning documents. All staff quarters approved in the planning documents are to be constructed and are to be available for use by the non-local staff when the health care facility is ready for operation. The tribe will be the owner of the staff quarters and responsible for all costs for their construction and the subsequent operation and maintenance.

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Once constructed, staff quarters should be self-supporting from revenues generated from the rental fees.

BRIEF HISTORY: Previously and not under the current program authorization, two joint venture demonstration projects (health centers in Poteau, Oklahoma, and Warm Springs, Oregon) were accomplished, with the IHS providing the initial equipment with funds appropriated in FYs 1991 and 1993. Currently, under no-cost 20-year leases, the IHS is staffing, operating and maintaining these health centers.

CURRENT STATUS:

- The initial funding for the currently authorized JVCP was received in the FY 2001 appropriation at \$4,989,000 for the initial equipment. This appropriation included specific instructions that required priority to be given to projects currently on the IHS Outpatient Facilities Construction Priority List (OFCPL). Two tribes having projects on the OFCPL decided to participate in the FY 2001 JVCP. Both of these tribes were eligible meeting the JVCP requirements, so all FY 2001 funds have been allocated. On August 21, 2002, negotiations were completed and the first FY 2001 JVCP Agreement was executed with The Jicarilla Apache Nation. On May 22, 2003, negotiations were completed, and the second FY 2001 JVCP Agreement was executed with the Tohono O'Odham Nation.
- The FY 2002 appropriation included \$5,000,000 to provide initial equipment for up to two projects through the JVCP, and included specific instructions for program implementation similar to that provided for FY 2001. No tribes having projects on the IHS OFCPL were interested. Priority being given to tribes that currently have no existing Federally-owned health care facility, two outpatient projects, sponsored by the Muscogee (Creek) Nation and the Choctaw Nation of Oklahoma, have been competitively selected for the completion of planning documents for IHS approval. Once the PJD, POR, and the SSER, including compliance with the NEPA requirements, have been approved by the IHS, JVCP Agreement negotiations will commence.
- The FY 2003 appropriation did NOT include funding for the JVCP.
- The FY 2004 President's Budget Request did NOT include funding for the JVCP.